Special Notice

Natural Gas Surcharge Program Takes Effect January 1, 2001

The Public Utilities Code* has been amended, effective January 1, 2001, to impose a surcharge on all natural gas consumed in California (see exceptions below).

The State Board of Equalization is responsible for collecting the surcharge from the following providers and consumers:

- Public utility natural gas providers
- Consumers of natural gas who purchase the gas from interstate pipelines

What does the surcharge apply to?

The surcharge applies to all natural gas consumed in California *except* for natural gas

- Used to generate power for sale
- Sold or purchased for resale to end users
- Sold or used for enhanced oil recovery
- Utilized in cogeneration technology projects to produce electricity
- Produced in California and transported on a proprietary pipeline

Who sets the surcharge rate?

Each year, the Public Utilities Commission (PUC) will determine the surcharge rate.

What programs does the surcharge support?

The surcharge will support

- Low-income customer assistance programs
- Cost-effective energy efficiency and conservation activities
- Public interest research and development

Whom should I contact for more information?

If you have any questions regarding the Natural Gas Surcharge Program, please contact

Excise Taxes Division, MIC:56
State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0056
Phone: 916-327-4208
Fax: 916-323-9297

You can also contact the Excise Taxes Division through our Information Center at 1-800-400-7115. Staff are available from 8:00 a.m. through 5:00 p.m., Pacific time, Monday through Friday, excluding State holidays.